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IN THE

Supreme Court of the United States

October Term, 1968.

No. 1082

OHIO CITIZENS TRUST COMPANY, TRUSTEE, And
TELEPRO INDUSTRIES, INCORPORATED,
Petitioners,

vs.

LEAR JET CORPORATION,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

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Foreword

None of the so-called "Questions Involved" set out in the Petition for Certiorari arises from the record in this case. Each question is nothing more than a poorly veiled attempt by the Petitioners to have this Court reconsider Findings of Fact made by the District Court and affirmed by the Court of Appeals below. Both courts clearly applied the accepted principles and rules of patent law to the credible evidence before them, keeping in mind the admonitions of this Court, particularly as found in *Graham* v. *John Deere Company,* 383 U.S. 1 (1966).

The so-called "Questions" are simply artificial.

The "Questions Involved" Do Not Arise

Question 1

Question 1 is quite unusual since all it appears to say is that the Court of Appeals did not accept the Petitioners' argument in that Court in their vain attempt to overcome the District Court's Findings of Fact. The gist of the question is that an alleged advantage of the patent in issue was not considered by the Court of Appeals as being sufficient for that Court to disregard Rule 52(a), Federal Rules of Civil Procedure, that Findings of Fact shall not be overruled unless clearly erroneous. This is the usual complaint of appellants who were unsuccessful in a Court of Appeals.

Question 2

By this question Petitioners contend that the Court of Appeals did not apply the standard of patentable invention set forth in *Graham* v. *John Deere, supra.* The Petitioners ignore the fact that the tests of *Graham* were carefully adhered to by the trial Court and each of the elements of factual inquiry were made by that Court as required by *Graham;* and the Court of Appeals affirmed.

Question 3

In this question Petitioners argue that the Court of Appeals did not apply the standard of this Court as set forth in *U.S.* v. *Adams,* 383 U.S. 39 (1966). Of course, the Petitioners fail to mention that the District Court did clearly follow the standard of the *Adams* case in arriving at its decision, and the Court of Appeals correctly affirmed.

Question 4

Question 4 is merely another attempt to argue that the standard of obviousness under 35 U.S.C. § 103, particularly as discussed by this Court in *Graham, supra,* was not followed by the Court of Appeals for the Tenth Circuit. The gist of the argument in this question is that the District Court's factual finding to the effect that Petitioners patentee's alleged discovery was a minor step in solving the problems encountered was wrong. Once more, this is nothing but a poorly disguised try to overcome a Finding of Fact which is amply supported by the evidence in the case.

Statement Of The Case

This case presents the ordinary, usual issues of a patent infringement action. No novel or unsettled questions of patent law were raised or decided, there is no conflict between circuits, nor has a question been decided in conflict with any decision of this Court. The District Court devoted six days to the trial, heard the testimony of nine "live" witnesses, and that of five others who testified by deposition. Both sides presented oral arguments after they submitted comprehensive briefs and proposed findings. In addition, the trial Court observed demonstrations of the products involved and reviewed more than eighty physical exhibits.

Prominent among the live witnesses were: George Eash, the named patentee of the patent in suit; William P. Lear, the developer of the successful cartridge player and a new kind of cartridge—which Petitioner Telepro has now copied; Samuel Auld, a highly qualified engineer and Vice President of Respondent; George Zeigler, an engineer and Petitioners' witness at the trial; and, by deposition, James

E. Paysen, an engineer of Respondent. From the testimony of these men, all of whom but Zeigler worked in the cartridge art, the District Court was able to make the factual judgment of the level of skill in this art—and this showed that the so-called patented contribution was obvious.

The Statement of the Case, set out by the Petitioners, is quite distorted when compared with the Findings below. For example, the Petitioners brush aside and do not mention that every element of the Eash cartridge was old; and, further, that before Eash began his work he found in the market place a very similar cartridge called "Mohawk". The only difference between the two cartridges was the simple fact that the Mohawk used a coil of tape wrapped around a fixed hub because its makers wanted to play a tape for a short time. Eash, when he decided to copy the Mohawk cartridge merely added a reel to replace the Mohawk hub in order to play a longer tape. That was all he did.

Eash, while he knew of the Mohawk cartridge, carefully neglected to inform the Patent Office of this piece of unpatented prior art. This helps to explain why the Patent Office mistakenly issued the Eash patent.

The Petitioners curiously also fail to mention that after Eash made his copy of the Mohawk cartridge with the reel added, his cartridge was unworkable.

In Eash's words:

> "Q. Now tell us about what occurred when you put 300 feet of tape on the reel. A. Well, it didn't go. I made up another cartridge and loaded it with 300 feet of tape and it just stopped almost immediately. And, of course I didn't know why."

Each later found out that it was necessary to put some sort of lubrication in with the tape in order to minimize friction and, as he thought, remove static electricity, in order to get a cartridge which would work. However, the successful way of making the cartridge was to lubricate the tape. Eash also later learned this from Mohawk.

The District Court found that while the reel may have helped a bit, that it was the development of lubricated tape which solved the question. It stated:

> "In addition, the development of lubricated tape with static dissipating features was a necessary, if not the primary element which caused the so called phenomena which is the basis of the success of the plug-in, endless, magnetic tape cartridge and not the freely rotating reel which supports the tape." (Appendix 14B).

Thus, it is clear that it was the lubricated tape and not Eash's reel which made the plug-in cartridge successful.

Defendants' witness, George Zeilger, agreed with this and he testified:

> "A. Yes, it is important and critically important that the backside of the tape be lubricated, but Eash can't take credit for being the first to teach that. Others taught that earlier."

Even as to the use of a so-called freely rotating reel, the Court made specific findings that such was old in the prior art. In referring to the Daniel patent, the Court stated:

> "our reading of Daniel persuades us that it does have a freely rotating reel."

The Court then discussed and made a finding as to the Weiss patent and said:

> "It appears that Weiss also discloses a freely rotating reel: 'the disc is free to move depending on any force, such as the withdrawal of the tape.' [Defendants' Exhibit J, Weiss, p. 2, Col. 1, ll. 59-71]" (Appendix 9B).

Argument

As we said earlier, this is not a case involving any important issue of law. It is simply an attempt by unsuccessful Plaintiffs to have this Court make new Findings of Fact and overturn those which were made by a competent District Court and affirmed by the Court of Appeals For The Tenth Circuit.

In our Statement of the Case, we have pointed out that the District Court properly found that it was the introduction of lubricated tape which made a successful tape cartridge.

In some respects, the so-called "tension" argument of the Petitioners is similar to that of the "free-flexing" argument made in the *Graham* case. As in *Graham* with the "free-flexing" idea, this "tension" argument is an afterthought and an attempt at making a simple and obvious device into something exotic and mysterious. It did not prevail in *Graham* and it should not prevail here.

The Petitioners argue that the Court of Appeals—and we will assume they also include the District Court—failed to apply the standard of patentable invention set out in *Graham* because no finding was made as to the level of ordinary skill in the pertinent art. This is not correct. As mentioned *supra*, the District Court had before it the

testimony of several people skilled in the art, as well as the dozens of patents and writings entered as exhibits.

In making its decision, the Court particularly stated (at Appendix 16B) that one of the factual inquiries it was making was the level of ordinary skill in the pertinent art. The District Court was well aware of the necessity of making this finding which it did when it considered the testimony of the various people in the art and came to the conclusion that putting a reel into the Mohawk cartridge was obvious in view of the prior knowledge available. And, of course, the Court of Appeals affirmed since Petitioners never showed that the District Court's findings were clearly erroneous.

Petitioners' argument that the standard of patentability applied by the Court of Appeals effectively denies patentability to *all* combinations of old elements is not so.

The Court of Appeals correctly stated what the law is. It said:

> "The crux of the case is the standard of non-obviousness. This standard must not be confused with the standard of novelty. A combination of old elements may be new and at the same time obvious to one skilled in the art." (Appendix 3A).

It is difficult to imagine how the Court could have been more clear. It has not said that a combination of old elements may not be patentable. It has simply said that it is a question of whether or not that combination is obvious to one skilled in the art. The Petitioners' misrepresentation of the standard applied by the Court of Appeals For The Tenth Circuit is completely unjustified and unfounded.

Finally, the argument of the Petitioners that Eash discovered "the source of certain problems" is not valid. As mentioned *supra,* the District Court correctly found that the true problem was with tape movement—and this was solved by the tape lubrication of Mohawk and others, not by Eash. When Eash put his reel into Mohawk cartridge without lubricated tape, it was unworkable (*supra,* p. 4). Eash found neither the problem nor the solution.

Not only do none of Petitioners' questions arise, but the overwhelming competent evidence is clearly against every argument submitted by the Petitioners.

CONCLUSION

The judgment below is free of error, supported by the credible evidence and the Petition should be denied.

Respectfully submitted,

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